



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Darrell Issa  
Chairman  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
2157 Rayburn House Office Building  
Washington, D.C. 20515

Dear Mr. Chairman:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Vilsack", written over a faint, large background watermark of the United States Department of Agriculture seal.

Thomas J. Vilsack  
Secretary

Enclosure



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Joseph I. Lieberman  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Mr. Chairman:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

Sincerely,

A handwritten signature in blue ink, appearing to read "T. Vilsack", written over a faint circular stamp.

Thomas J. Vilsack  
Secretary

Enclosure



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Harold Rogers  
Chairman  
Committee on Appropriations  
U.S. House of Representatives  
H-218 Capitol Building  
Washington, D.C. 20515

Dear Mr. Chairman:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

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Thomas J. Vilsack  
Secretary

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Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Daniel K. Inouye  
Chairman  
Committee on Appropriations  
United States Senate  
S-128 Capitol Building  
Washington, D.C. 20510

Dear Mr. Chairman:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Vilsack", written over a faint circular stamp that says "RECYCLED" and features a star.

Thomas J. Vilsack  
Secretary

Enclosure



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Elijah E. Cummings  
Ranking Member  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
2235 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Cummings:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Vilsack", written over the printed name and title.

Thomas J. Vilsack  
Secretary

Enclosure



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Susan M. Collins  
Ranking Member  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
413 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Senator Collins:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

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Thomas J. Vilsack  
Secretary

Enclosure





United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Norman Dicks  
Ranking Member  
Committee on Appropriations  
U.S. House of Representatives  
2467 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Dicks:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

Sincerely,

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Thomas J. Vilsack  
Secretary

Enclosure



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

NOV 19 2012

The Honorable Thad Cochran  
Ranking Member  
Committee on Appropriations  
United States Senate  
113 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Senator Cochran:

As required by 31 U.S.C. § 720 (Public Law 97-258), enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

Sincerely,

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Thomas J. Vilsack  
Secretary

Enclosure





UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL  
Washington D.C. 20250



NOV 19 2012

The Honorable Jeffrey Zients  
Acting Director  
Office of Management and Budget  
Eisenhower Executive Office Building  
17th Street and Pennsylvania Avenue NW.  
Washington, D.C. 20503

Dear Mr. Zients:

Enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

The statement, prepared by the Department's Forest Service, is also being furnished to the U.S. Senate and House Committees on Appropriations, the U.S. Senate Committee on Homeland Security and Governmental Affairs, the U.S. House Committee on Oversight and Government Reform, and the U.S. Government Accountability Office.

Sincerely,

Phyllis K. Fong  
Inspector General

Enclosure



UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF INSPECTOR GENERAL

Washington D.C. 20250



NOV 19 2012

The Honorable Gene Dodaro  
Comptroller General  
U.S. Government Accountability Office  
441 G Street NW., Room 7000  
Washington, D.C. 20548

Dear Mr. Dodaro:

Enclosed is the Department of Agriculture's statement of the actions taken on the recommendations in the U.S. Government Accountability Office Report GAO-12-775, dated July 16, 2012, entitled *PAYMENTS TO COUNTIES: More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts of the Secure Rural Schools Act*.

The statement, prepared by the Department's Forest Service, is also being furnished to the U.S. Senate and House Committees on Appropriations, the U.S. Senate Committee on Homeland Security and Governmental Affairs, the U.S. House Committee on Oversight and Government Reform, and the Office of Management and Budget.

Sincerely,

Phyllis K. Fong  
Inspector General

Enclosure

**U.S. Department of Agriculture**  
**Statement of Action on the U.S. Government Accountability Office**  
**Final Report GAO-12-775, PAYMENTS TO COUNTIES:**  
***More Clarity Could Help Ensure County Expenditures Are Consistent with Key Parts***  
***of the Secure Rural Schools Act***

**October 17, 2012**

Under the Secure Rural Schools and Community Self-Determination Act of 2000 (Act), counties with Federal lands may elect to receive payments to help stabilize revenues lost because of declining Federal timber sales. Under Title III of the Act, counties are authorized to use these funds for certain projects related to wildland fire and emergency services on Federal lands. Counties received \$108 million for Title III projects for fiscal years (FY) 2008 through 2011. The Act provides oversight roles for the Department of Agriculture's (USDA) Forest Service and the Department of the Interior's Bureau of Land Management (BLM), requiring them to review counties' certification of their Title III expenditures as they determine to be appropriate and to issue regulations to carry out the purposes of the Act. The U.S. Government Accountability Office (GAO) examined the (1) actions the agencies have taken to oversee county spending under Title III, (2) consistency of selected counties' expenditures with the Act, and (3) extent to which counties have followed Title III's administrative requirements. GAO reviewed agency and county documents and interviewed officials from the Forest Service, BLM, and 42 selected counties.

GAO recommended that if Congress chooses to extend Title III beyond 2012, it should consider making explicit which types of expenditures are and are not allowable. GAO also recommends that the agencies issue regulations or clear guidance specifying the types of allowable county uses of Title III funds. The following addresses the recommendations made to USDA.

**GAO Recommendation**

GAO recommends that the Secretary of Agriculture direct the Chief of the Forest Service, and that the Secretary of the Interior direct the Director of BLM to issue formal Federal regulations or clear guidance specifying types of allowable county uses of Title III funds, to help counties make appropriate decisions regarding these funds.

**USDA Response**

On July 6, 2012, the Act was reauthorized for FY 2012 as part of Public Law 112-141. This 1-year reauthorization of the Act made no changes to the authorized uses of Title III, and Congress did not provide any legislative history with the reauthorization that makes more explicit which types of Title III expenditures are and are not allowable.

Because the reauthorization under Public Law 112-141 allows only a short timeframe for counties to initiate Title III projects (September 30, 2012) and to obligate Title III funds (September 30, 2013), the Forest Service is not able to engage in timely rulemaking. Instead, as of August 31, 2012, the agency began providing additional clarifying guidance through updates



to its Secure Rural Schools Act Web site and via emails to a network of State officials and county organizations. If in the future the Secure Rural Schools Act is reauthorized for multiple years, the Forest Service will look into utilizing rulemaking in addition to the guidance currently offered.

The Forest Service will continue to coordinate closely with BLM and the respective legal counsel of both agencies to improve the guidance for county government(s) relating to authorized uses of funds under Title III. The Forest Service will also take steps to improve the guidance concerning administrative provisions in the Act such as county publication of its intention to use Title III funds and notification to resource advisory committees. The Forest Service will modify the procedures by which the county certifies that it has obligated and expended Title III funds for authorized uses.